CCI Okay with Amazon Getting More Big

But for the bid along with Samara to go through, it has to be compliant with new FDI rules, say execs

> Writankar.Mukherjee @timesgroup.com

Kolkata: The Competition Commission of India (CCI) has approved the Samara Capital-Amazon joint bid to acquire Aditya Birla Group's supermarket chain More. However, two senior industry executives said the approval from CCI means the watchdog has done

due diligence of the deal only from the point of impact on competition. They said the onus will be now on Witzig to ensure that the deal is in compliance with the revised e-commerce FDI norms issued by the Department of Industrial Policy and Promotion (DIPP) last month. More so, after CCI recently raised queries to Witzig on the role of Amazon.

CCI on Wednesday had sent a communication to Witzig Advisory Services, the entity where Samara and Amazon will invest and which is acquiring Aditya Birla Retail, saying the proposal is "approved" without elaborating further.

The fair trade watchdog also updated status of Witzig's application on its website as "approved" without further order posted till Thursday late evening.

mes at a time when e-Amazon and Walmart-owned kart are evaluating Approval the revised FDI from CCI norms and have asmeans the watchdog has ked the government

"A detailed order is expected from CCI impacton soon which may specompetition cify certain conditions," an executive said. "But there may not be anvthing major in that since the ownership and deal structure is not in

to extend the Febru-

ary 1 deadline to

comply with them.

firms

Flip-

In the CCI application, Witzig had said Amazon.com NV Investment Holdings LLC will buy 49% in Witzig while the remaining 51% will be held by Samara. It had also specified CCI's domain directly. Instead this is in DIPP domain. Samara-Amathere that Witzig will be majorityzon may still have to modify the deowned and controlled by Samara.

the DIPP notification otherwise it

can risk itself into legal pro-

blems," the executive said. Emails

sent to Witzig and Amazon did not

elicit response till Thursday press

time. When contacted, Samara Ca-

pital managing director Sumeet

Narang declined to comment. Wit-

zig, a wholly-owned subsidiary of

Samara Alternative Investment

Fund, signed an agreement to ac-

quire ABRL in September for abo-

ut ₹4,200 crore and filed an applica-

tion to CCI for clearance in Octo-

The approval co- al structure to be compliant with Amazon is yet to acquire the stake since it has been awaiting CCI app-

roval. The revised DIPP norms may make it difficult for Amazon to strengthen the relationship between its India marketplace, Amazon.in, and More supermarkets and use the latter as a seller on its hyperlocal food and grocery platform Amazon Prime Now. This is due to the clause that prohibits group companies from selling in the marketplace.

The FDI clause says that an "entity having equity participation by ecommerce marketplace entity or its group companies, or having control on its inventory by ecommerce marketplace entity or its group companies, will not be permitted to sell its products on the platform run by such marketplace entity."

Under Radar

Chinese Fakers Give Law the Slip

SHANGHAI China has come down hard on its counterfeit industry. A new law effective January 1 promises to slap online retailers with up to \$296,000 in fines for bogus goods sold on their platforms. But Chinese counterfeiters have found a way out. Many fakers are hawking their wares via social messaging networks. They market their offerings on platforms like Instagram, Buyers then order



and pay via private messaging apps.--Bloomberg

₹70000 cr

Pitch Report

Luxury Line

PARIS: Popidol

Rihanna is pre-

launch her own

world's biggest

glomerate, ac-

cording to re-

ports. The

Barbados-

star, who

born super-

has her own

sportswear

label, is in

talks with

LVMH. -

successful

Fenty

fashion con-

luxury brand

paring to

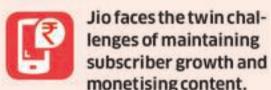
with the

Rihanna's

The expected value of mobile component production in FY19. This figure is 40% more than the ₹50,000 crore target for FY20.

TODAY ON ■ETPrime.com

Jio's Challenges



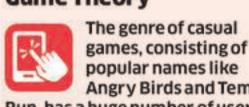
monetising content. Besides, the fight for high-value customers will intensify further.

Trouble in the US

The inverted yield curve is seen as a predictor of recessions. If the figures on December 4 are considered the precursor of a full-fledged yield curve inversion, the US econo-

my could be headed for trouble.

Game Theory



popular names like What's behind the charm and economics of these games?

BASF'S LARGEST INVESTMENT IN INDIA TILL DATE

done due

from the

point of

diligence of

the deal only

Adani Group, BASF Plans to Set Up ₹14k-cr Petrochem Unit

Our Bureau

New Delhi: Global chemicals giant BASF and India's Adani Group have signed a deal to set up a ₹14,000-crore petrochemicals plant at Mundra.

Powered by renewable energy, it will produce chemicals that are now imported.

"This would be BASF's largest investment in India to date," the two companies said in a joint statement after signing a memorandum of understanding before the Vibrant Gujarat summit. The companies hope to start building the project after completing the feasibility study by the end of this year. BASF, which is listed in Frankfurt, Zurich and London, would hold the majority equity in

Green Project The ₹14,000-cr plant would be BASF's larges investment in India to date, sources said BASF -- listed in Frankfurt. Zurich and London -- would hold majority equity in the venture Proposed plant would manufacture chemicals of the acrylic value chain that are used by a wide range of customers, including the construction, automotive and coatings industries

posed equity holding.

the venture, the statement said, micals of the acrylic value chain but did not give details of the proindustries like construction, au-The plant will manufacture che-tomotive and coatings. Adani

Group chairman Gautam Adani said the plant would substitute imported chemicals and save foreign exchange for the country. "Our partnership with BASF is a big step forward in enabling the 'Make in India' programme," he said.

BASF chairman Martin Brudermüller said the intention to invest showed the company's long-term commitment to Indian customers. The petrochemicals sector in India has been dominated by Reliance Industries, but the BASF project will have a different product line.

"Today, no petrochemicals company in India manufactures these products. Even large petrochemicals companies do not produce these products," said Karan Adani, CEO of Adani Ports and SEZ.

GoT Game

On Mobile

HONG KONG: Tencent will soon release a test version of a Game of Thrones game for smartphones, after winning exclusive Chinese rights to distribute the title based on the megapopular TV series. The company will be the sole distributor for Game of Thrones: Winter is Coming, developed by Yoozoo, Tencent said on its official WeChat account. -BLOOMBERG

Angry Birds and Temple Run, has a huge number of users.

For IndiGo, No Evenings in Paris, No Nights in London

Airline stalls plans to fly to Europe as costs & pressure on yields weigh

Anirban.Chowdhury @timesgroup.com

Mumbai: IndiGo has for now stalled its cofounder Rakesh Gangwal's ambitious plans to operate low-cost long-haul flights to European destinations such as London and Paris, as costs mount and margins are squeezed in a competitive market.

People in the know of the matter said the rethink is due to IndiGo's recent losses as well as overall tough market conditions of high costs and pressure on yields. There is also ongoing debate within the management on whether its planned no-frills model for the flights would garner enough demand in a market which is full of highly competitive premium products from carriers such as Emirates and Singaposons mentioned above.

winter schedule in March, by ur. which time it has no plans to start London operations. This the airline looks and relooks at arter.

Status: Delayed TIMELINE OF EVENTS JULY, 2017 Rakesh Gangwal first discusses virtues of low-cost long haul int'l flights JAN, 2018 IndiGo seeks approval to fly to Frankfurt, Paris. Gatwick, IndiGo Manchester, senior exec Birmingham, IndiGo says Brussels, Rome, acquiring drops Milan and Zurich. In wideplans to a letter, IndiGo says bodies is induct plans to induct now an widewide-bodied planes bodied "aspiration like Airbus A330

would mean the airline will have to re-apply for the slots if it revisits its London plans.

said in October that it was conre Airlines, said one of the per-fident of starting London operations towards end of winter IndiGo has landing slots at 2018. She had also said it would London's Gatwick airport but use a mid-point for a short rethey will lapse by the end of the fuelling stop of less than an ho-

plans. It has now started to fly to Male and Phuket and will try to get the maximum out of An IndiGo spokesperson had those routes," said a person in the know.

When contacted, senior executives at IndiGo declined to elaborate on any change of operational plans, saying the airline is in a "silent period" before the announcement of But that has changed. "Well, its earnings for December qu-

TOI

MY JOB TAKES ME ACROSS THE COUNTRY,

I am among crores of Indians who have transferable jobs and live in a city that is different from where our votes are registered. So, we are unable to vote from where we are. It's time we get included in the electoral process and cease to be lost votes. Because we can shape the destiny of our nation with every vote.

MY VOTE

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India Drags Feet on 5G Fibre-infra Investment

Our Bureau

Kolkata: India can be a frontrunner in the deployment of 5G or fifth-generation networks but much hinges on the investments in fibre infrastructure, which is inadequate and trailing China, said RS Sharma, chairman of the Telecom Regulatory Authority of India (Trai). "There's serious concern that while people are talking of 5G as a slogan, it won't happen unless we put a lot of investment in fibre," Sharma told India Digital Summit, organised by the Internet and Mobile Association of India (IAMAI),

on Thursday. He said that merely "22% of mobile towers in India" are connected on fibre, unlike China, where as much as 80% of its mobile towers are fiberised. Sharma said India's connectivity problems should be resolved with urgency and regulations, accordingly, should not be "constrained" by the fact that only a certain set of service providers offer a particular service. "No one should have a monopoly of providing services to the people of this country and we should solve this problem by whatever means and instruments we can deploy," he said.

Optical fibre cable laid till date in India is equal to what China does in just one year. This underlines the need for policies to promote big-ticket investments in fixed infrastructure, Sharma said, "The National Digital Communications Policy contains those set of policies and statements and we need to operationalise those to ensure investment."

Oyo Gets I-T Notices for Filing Inaccurate Details of Income

Case linked to non-deduction of TDS on payments made by co in AY2016-17

> Anumeha.Chaturvedi @timesgroup.com

New Delhi: SoftBankbacked Oyo Hotels & Homes has been sent income tax notices for furnishing inaccurate particulars of income, sources familiar with the matter told ET. The income tax department sent notices to parent company Oravel Stays in November and December for assessment year 2016-

People aware of the matter said the case is linked to non-deduction of tax deducted at source (TDS) on payments made by the company in assessment year 2016-17.

Oyo reported losses exceeding ₹400 crore in its returns for 2016-2017. The income tax department in December passed an order against the company and Oyo has filed an appeal



against the order this week, sources familiar with the mattersaid.

Oyo did not respond to an email seeking comments till the time of going to

In September last year. SoftBank Vision Fund, led an \$800 million funding round in Oyo, valuing the company at over \$5 billion.

Oyosaysitispresentin more than 500 cities across India, China, Malaysia, Nepal, the UK, UAE and Indonesia, with over 13,000 hotels and 3,000 homes in its portfolio.

The company announced the launch of Oyo Homes in Dubai this month. Starting with 40 homes in Dubai, the company plans to ramp up its presence to 200 homes in the next six months.

#LostVotes